Federal Financial Management Business Use Cases for Apply-to-Perform

Version 2.0

| Budget Formulation-to-Execution | Acquire-to-Dispose | Request-to-Procure | Procure-to-Pay | Bill-to-Collect | Record-to-Report | Agree-to-Reimburse | Apply-to-Perform | Hire-to-Retire | Book-to-Reimburse | Apply-to-Repay |

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Purpose

The Federal Financial Management (FFM) Business Use Cases reflect the business needs, or requirements that an agency must follow in the financial management community. This document is part of the FFM Business Use Case Library and contains the business use cases associated with the Apply-to-Perform Business Process. The *Federal Financial Management Business Use Case Library Overview* should be referenced in conjunction with this document for guidance on understanding and applying the FFM Business Use Cases to agency financial operations.

Appendix A provides a list of the documents in the FFM Business Use Case Library.

Business Use Case Structure

The sections of the FFM business use cases are described below.

Business Use Case Identifier: includes information about the key underlying components. The notation for a business use case identifier is as shown.

Figure 1: The notation for a business use case identifier.

Business Scenario(s) Covered: identifies differing situations or conditions that occur when executing an end-to-end business process and reflect the scope and complexity of federal government agency missions.

Business Actor(s): identifies the typical offices or roles performing events in the business use case.

Synopsis: provides a summary of the events that take place within the business use case.

Assumptions and Dependencies: includes context information about events that have occurred prior to the first event identified in the business use case or outside of the business use case and dependencies on events accomplished in other business use cases. There are several common assumptions that are established for all business use cases. Additional assumptions or dependencies are included if needed for the specific business use case.

FFMSR ID Reference(s): includes a list of the Federal Financial Management System Requirements (FFMSR) that apply for the business use case.

Initiating Event: identifies the event that triggers the initiation of the business use case.

Typical Flow of Events: includes the Federal Financial Management (FFM) and non-FFM events that may occur to complete the business scenario(s) included in the business use case. The non-FFM events are provided for business context. Also included are the inputs and outputs or outcomes that one would expect to occur during or as a result of the event.

Apply-to-Perform Business Use Cases

080.FFM.L2.01 Grant with Accrual and Offset
End-to-End Business Process: 080 Apply-to-Perform
Business Scenario(s) Covered
• Accruals for Grants • Grant Disbursement Offsets
Business Actor(s)
Program Office; Finance Office; Award Recipient
Synopsis
A discretionary award (i.e., grant) is issued by a federal agency to the Award Recipient. The Award Recipient was overpaid for a previous award from the same grant program. The award is a significant percentage of the program budget. The Award Recipient's progress is monitored and financial and performance reports are received. The Award Recipient submits an invoice to request payment. Disbursement is made with a partial offset to recover the previous overpayment.

080.FFM.L2.01 Grant with Accrual and Offset

Assumptions and Dependencies

1. There may or may not be automated (near/real-time or batch) interfaces between functional areas/functions/activities or between provider solutions/systems.

2. There is no presumption as to which activities are executed by which actor, or which activities are automated, semi-automated, or manual.

3. Supporting information for general ledger transactions includes sub-ledger entries when sub-ledgers are used.

4. Appropriate attributes (e.g., object class and project) are included as part of the accounting string.

5. Relationships between use cases are described in the Framework for Federal Financial Management Use Cases found in the related overview document.

6. All predecessor activities required to trigger the Initiating Event have been completed.

7. Funds availability checks are performed against appropriations/fund accounts for obligating funds, and against obligations for disbursing funds in accordance with OMB A-11, Section 150.2.

8. Funds have been committed for the grants program.

9. The agency has and uses a process for estimating accrual liability amounts.

10. The Award Recipient has had awards with the federal agency and is set up in the FM system.

11. Grant award transactions are provided to the FM system on a per award basis (i.e., not aggregated across awards).

12. The Award Recipient sends invoices to the program office and does not receive any payments in advance.

13. The overpayment from a previous grant was drawn from the same fund as the newly awarded grant and an associated receivable has been established.

14. Tolerance percentages or amounts between obligation and commitment amounts and between expenditure and obligation amounts have been established.

FFMSR ID Reference(s): 1.1.2; 1.1.4; 2.1.2; 2.2.1; 2.2.2

Initiating Event: A federal agency selects an Award Recipient for a discretionary grant.

Use Case 080.FFM.L2.01 Grant with Accrual and Offset

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
1		a. Prepare grant award documentation b. Request funds availability check (GRM.030.010 Grant Award Issuance)	• Grantee information • Grant award decision information • Agency historical data and informed opinion	• Award information • Award budget • Request for funds availability check
2	Receive and process request for funds availability check (FFM.010.020 Fund Allocation and Control)		• Request for funds availability check	• Funds availability response
3		Approve and issue grant award (GRM.030.010 Grant Award Issuance)	• Funds availability response • Award information	• Approved award information

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Use Case 080.FFM.L2.01 Grant with Accrual and Offset

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
4	a. Receive approved award information, confirm difference between obligation amount and commitment amount does not exceed tolerance percentage/amount, liquidate grant program commitment, and obligate funds for grant award (FFM.030.020 Obligation Management) b. Process estimated grant accrual liability using approved award information (FFM.090.030 Accrual and Liability Processing)		• Approved award information • Estimated grant accrual liability information	• Appropriate commitment liquidation entry created with reference to source information • Appropriate obligation entry created with reference to source information • Appropriate accrual liability entry created with reference to source information
5	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated
6		Receive grant performance and financial reports and determine grant accrual liability adjustment (GRM.040.020 Grant Performance Review)	• Grant performance and financial reports • Estimate of Award Recipient expenses incurred but not yet invoiced	• Grant accrual liability adjustment information

Use Case 080.FFM.L2.01 Grant with Accrual and Offset

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
7	Receive and process grant accrual liability adjustment information (FFM.090.030 Accrual and Liability Processing)		• Grant accrual liability adjustment information	• Appropriate accrual liability adjustment entry made with reference to supporting information
8	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated
9		a. Receive and review Award Recipient invoice (payment request) b. Determine adjusted disbursement amount due to previous overpayment (payable offset) c. Request funds availability check (GRM.030.020 Grant Award Payment Processing)	• Award Recipient invoice • Award Recipient award history information	• Grant payable offset information • Request for funds availability check
10	Receive and process request for funds availability check (FFM.010.020 Fund Allocation and Control)		• Request for funds availability check	• Funds availability response

Use Case 080.FFM.L2.01 Grant with Accrual and Offset

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
11		Approve Award Recipient invoice (GRM.030.020 Grant Award Payment Processing)	• Funds availability response • Award Recipient invoice	• Approved Award Recipient invoice • Request for processing of • approved Award Recipient invoice
12	a. Receive and process approved Award Recipient invoice (FFM.030.080 Payment Processing - Grant Payments) b. Confirm difference between expenditure amount and obligation amount does not exceed tolerance percentage/amount and liquidate obligation (FFM.030.020 Obligation Management) c. Receive grant payable offset information and process receivable adjustment (FFM.060.030 Public Receivable Credit Memo and Adjustment Processing)		• Approved Award Recipient Invoice • Request for processing of approved Award Recipient invoice	• Appropriate payable entry created with reference to source information • Appropriate obligation liquidation entry created with reference to source information • Appropriate accrual reversal entry created with reference to source information • Appropriate receivable liquidation entry created with reference to source information
13		Request disbursement (GRM.030.020 Grant Award Payment Processing)	• Approved Award Recipient invoice	• Request for disbursement

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Use Case 080.FFM.L2.01 Grant with Accrual and Offset

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
14	a. Receive and process disbursement request (FFM.030.080 Payment Processing - Grant Payments) b. Generate disbursement schedule (FFM.030.110 Payment Disbursement) c. Certify payment of disbursement schedule (FFM.030.110 Payment Disbursement) d. Receive confirmation of disbursement (FFM.030.120 Payment Confirmation)		• Request for disbursement	• Certified disbursement schedule • Appropriate disbursement-in-transit entry created with reference to source information • Disbursement confirmation information • Appropriate disbursement-in-transit liquidation entry created with reference to source information • Appropriate disbursement entry created with reference to source information • Award Recipient receives payment
15	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated

Budget Formulation-to-Execution → Acquire-to-Dispose → Request-to-Procure → Procure-to-Pay → Bill-to-Collect → Record-to-Report → Agree-to-Reimburse → **Apply-to-Perform** → Hire-to-Retire → Book-to-Reimburse → Apply-to-Repay

080.FFM.L2.02 Administrative Grant Closeout

End-to-End Business Process: 080 Apply-to-Perform (Grants Management)

Business Scenario(s) Covered

- Administrative Grant Closeout

Business Actor(s)

Program Office; Finance Office; Award Recipient

Synopsis

An accrual liability for a previous grant award is established by a federal agency. An expected financial and performance report and invoice are not received by the agency. The Award Recipient is determined to be no longer operating and the award is administratively closed.

Assumptions and Dependencies

1. There may or may not be automated (near/real-time or batch) interfaces between functional areas/functions/activities or between provider solutions/systems.
2. There is no presumption as to which activities are executed by which actor, or which activities are automated, semi-automated, or manual.
3. Supporting information for general ledger transactions includes sub-ledger entries when sub-ledgers are used.
4. Appropriate attributes (e.g., object class and project) are included as part of the accounting string.
5. Relationships between use cases are described in the Framework for Federal Financial Management Use Cases found in the related overview document.
6. All predecessor activities required to trigger the Initiating Event have been completed.
7. Funds availability checks are performed against appropriations/fund accounts for obligating funds, and against obligations for disbursing funds in accordance with OMB A-11, Section 150.2.
8. No illegal activity occurred against the terms of the grant agreement.
9. The Award Recipient has been paid for all work that has been invoiced.
10. The Award Recipient has received no payments to which it was not entitled.
11. No commitments or obligations have been made for future fiscal years.

FFMSR ID Reference(s): 1.1.2; 1.1.4; 2.2.1

Initiating Event: Agency learns the Award Recipient is no longer operating.

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Use Case 080.FFM.L2.02 Administrative Grant Closeout

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
1		Verify grant outstanding accrual liability and remaining obligation amounts and initiate grant administrative close out (GRM.040.050 Grant Award Closeout)	• Award Recipient status information	• Grant outstanding accrual liability amount • Grant administrative closeout information
2	a. Receive grant award closeout information and liquidate estimated accrual liability (FFM.090.030 Accrual and Liability Processing) b. Deobligate grant remaining obligated balance (FFM.030.020 Obligation Management)		• Grant outstanding accrual liability amount • Grant administrative closeout information	• Appropriate accrual liability adjustment entry created with reference to source information • Appropriate deobligation entries created with reference to source information
3	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL Entries	• Appropriate GL accounts updated

Budget Formulation-to-Execution › Acquire-to-Dispose › Request-to-Procure › Procure-to-Pay › Bill-to-Collect › Record-to-Report › Agree-to-Reimburse › **Apply-to-Perform** › Hire-to-Retire › Book-to-Reimburse › Apply-to-Repay

Appendix A: FFM Business Use Case Library Documents

Library Document Content	Business Use Case Document Name
FFM Business Use Case Library	FFM Business Use Case Library Overview
010 Budget Formulation-to-Execution	FFM Use Cases 010 Budget Formulation-to-Execution
020 Acquire-to-Dispose	FFM Use Cases 020 Acquire-to-Dispose
030 Request-to-Procure	FFM Use Cases 030 Request-to-Procure
040 Procure-to-Pay	FFM Use Cases 040 Procure-to-Pay
050 Bill-to-Collect	FFM Use Cases 050 Bill-to-Collect
060 Record-to-Report	FFM Use Cases 060 Record-to-Report
070 Agree-to-Reimburse	FFM Use Cases 070 Agree-to-Reimburse
080 Apply-to-Perform	FFM Use Cases 080 Apply-to-Perform
090 Hire-to-Retire	FFM Use Cases 090 Hire-to-Retire
100 Book-to-Reimburse	FFM Use Cases 100 Book-to-Reimburse
110 Apply-to-Repay	FFM Use Cases 110 Apply-to-Repay